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RICHMOND, VA., WEDNESDAY, FEBRUARY 19, 1913.

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# TAX PROBLEM UP TO BUSINESS MEN

Chamber Will Call State Overwhelming Majority He Was Eldest Son of Convention to Find Solution.

#### PRESENT SYSTEM DECLARED ROTTEN

Member of Recent Grand Jury Investigating Tax Matter Says Man of Average Intelligence Can't Understand It-Edmund Strudwick Elected New Director.

Ilotel last night for the purpose of grappling with some of the most insistent problems that confront the city, the directors of the Chamber of Commerce with one accord singled out the question of taxation as the one problem which stands in most urgent need of solution.

There was no division of opinion. Many of the directors called attention to the recent grilling at the hands of the special grand jury investigating tax returns. One and all pronounced the system of taxation now in force in Virginia superbly bad—so bad that it constitutes a menace to business and contains a serious threat to commerce.

The board of directors voted unanimously to call together in Richmond, some time this spring or in the carly summer, a State convention of delegates from every business organization in the Commonwealth for the purpose of drafting a tax reform meaning. The commonwealth for the purpose of drafting a tax reform meaning. The commonwealth for the purpose of drafting a tax reform meaning. The commonwealth for the purpose of drafting a tax reform meaning. The common contains a serious threat to commerce, a summer, a State convention of delegates from every business organization in the Commonwealth for the purpose of drafting a tax reform meaning the common contains a serious threat to commerce.

The board of directors voted unanimously to call together in Richmond the veto were: Asknert, Bacon, Bankships and the purpose of drafting a tax reform meaning the deal of the purpose of drafting a tax reform meaning the commonwealth for the purpose of drafting a tax reform meaning the commonwealth for the purpose of drafting a tax reform meaning the commonwealth for the purpose of drafting a tax reform meaning the commonwealth for the purpose of drafting a tax reform meaning the commonwealth for the purpose of drafting a tax reform meaning the commonwealth of the commonw

gates from every business organiza-tion in the Commonwealth for the purpose of drafting a tax reform measure that will conform to the business demands of the State. The bill thus drafted will be submitted to the next General Assembly for adoption.

Hegin Work at Once. directors agreed that if anything was to be accomplished, the agitation for tax reform must begin at once. A resolution was accordingly adopted placing the matter with the legislatice committee of the Chamber of legislatice committee of the Chamber of Commerce, and Instructing it to prepare a tentative outline of tax reform to be presented to the proposed convention of business men. The committee of the chamber of the committee of the chamber of the committee of the chamber of the chamb to be presented to the proposed con-vention of business men. The committee was instructed to prepare working o report on the best time for hold-

Thomas B. McAdams, cashier of the Merchants' National Bank, stated that the recent tax investigating campaign conducted by the Auditor of Public Accounts and the newspapers has withdrawn more than \$2,000,000 from Richmond banks, and that much of it has left the city never to return. If the agritation had been prolonged and pursued to the strict letter of the law, he thought, it would have resulted in forcing a number of banks out of business.

Alone Among Nations.

"I fail to understand why it is that the United States alone among nations is not thought to have the right that all nations have to say who shall come within its borders," said Senator Lodge. "It is the only country in the world where it is argued that people born in other countries, who never have seen the United States, are entitled to certain rights therein.

"It is for the citizens of the United States to say who shall come into their country. That is a primary right.

against the home builder and against outside capital seeking local invest-ment. He asked for the abolition of the present rate of \$1.75 annually and its replacement by a tax of 12 of 1 per cent, to be paid only once during the life of the mortgage—at the time of

The present system of taxation is as rotten as it can be," is the way Fritz Sitterding put it. He was a member of the recent tax investigating grand jury, and spoke from the heart. As the tax laws stand now, he said, a person with only average intelligence cannot understand them. The grand jury, he said, began by examining its own membership first, and found that three of the jurors were themselves guilty of evading taxation.

They made the proper correction.

To Proceed Slowly.

It was agreed by the directors that a complete cure for the State's tax ills will take several years. Some of the changes that are desired will require amendments to the present Constitution. An effort will be made through the proposed business convention to formulate one or two of the most pressing reforms and to have them enacted. ing reforms and to have them enacted into law at the next General Assembly.
While the directors would not commit themselves last night on the na-

Prover Tariff Commission.

President Carrington presented a resolution adopted by the recently organized Chambers of Commerce of the United States, calling upon Congress to create a permanent tariff commission to gather and tabulate data on the tariff, for the purpose of supplying resource information on the personnal accurate information on the perennial problem to the lawmakers. The reso-lution was accompanied by a request that the Richmond Chamber of Com-

merec indorse it. The directors unanimously favored a permanent tariff commission, which will insure to the men who compose it freedom from political disturbances. The resolution was adopted after considerable discussion, with the condi-tion, however, that the chamber's indorsement hinges on the addition of a clause which shall guarantee to the tariff commissioners permanency of tenure and freedom from partisan in

J. L. Wingo presented a resolution, which was unanimously adopted, con-gratulating the city of Richmond, the State of Virginia and the whole South upon the recent merger of the two med ical colleges of the city. Congratula-tions were extended also to the united college and to the physicians and sur-

[Continued on Tenth Para)

#### MEASURE PASSED CUSTIS LEE DIES OVER TAFT'S VETO AT AGE OF EIGHTY

in Senate for Immigration Bill.

LITERACY TEST FOR FOREIGNERS

Fight to Override President, and Support of His Position Is Voiced Only by Few Senators-Prospects in House.

Washington, February 18 .- The Burliotel last night for the purpose of nett-Dillingham immigration bill, ve-grappling with some of the most in-posed a literacy test upon immigrants

Cullom, Cummins, Dillingham, Dixon, Fall, Fletcher, Foster, Gallinger, Gam-ble, Gardner, Gore, Jackson, Johnson, Maine; Johnston, Alabama; Jones, Kavanaugh, Kenyon, Kern, La Follette, Lea, Lippitt, Lodge, McLean, Martin, Myers, Nelson, Newlands, Overman, Owen, Page, Penrose, Percy, Perkins, Pittman, Poindexter, Pomerene, Rich-ardson, Root, Smith, Georgia; Smith, Smith, Arizona; Smith, Georgia; Smith, South Carolina, Smoot, Sutherland South Carolina; Smoot, Sutherland, Swanson, Thomas, Thornton, Tillman, Townsend, Webb, Wetmore, Williams

Cumber, Martine, O'Gorman, Oliver, Paynter, Shively, Smith, Maryland

gitation had been prolonged and purued to the strict letter of the law,
the United States, are entitled to certain rights therein.

"It is for the citizens of the United
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irreat over the banking business of the

other countries, who never have seen
the United States, are entitled to certain rights therein.

"It is for the citizens of the United
States to say who shall come into their
country. That is a primary right.

Still less do I understand this extreme opposition to requiring that a
treme opposition to requiring that a
back to Robert the Bruce of Scotland.

posed to establish a radical and unwise change in the immigation policy at of the United States.

Time of Extra Session,

Washington, February 18.—The report was current among Democratic leaders in the House to-day that the bis duties in the duty to make his home extra session of Congress would be ing called to convene in the first week of at April. The Committee on Ways and Means is at work on the tariff, proceeding on the principle that it cannot take binding action as a committee take binding action as a committee take binding action as a committee to convenient to the convenient to the committee of the committee to convenient to convenient to committee of the co

Democrats of the next Congress shall caucus immediately after the March or just before the convening of the extra session.

buted its detail work scientifically, so such a crisis. Accordingly, May 2, 1861, that Democratic Leader Underwood and he resigned from the United States the other leaders who are on the com- army, and tendered his services to his mittee may spend more of their time native Virginia. On May 10, he was on the floor of the House,

any industrial concern engaged in interstate commerce would be provided for in a bill introduced by Senator Kenyon to-day. The measure also many delicate and important would forbid railroads engaged in in-terstate commerce from accepting general, and put in command of local goods from any concern violating its defense troops around Richmond.

provisions. Eight hours is prescribed as the maximum time for a day's work for (Continued on Tenth Page.)

Best service to California, standard or ourist. Latter personally conducted withtourist. Latter personally conducted with-out change daily, except Sunday. Berth \$3. Washington-Sunset Route, 207 E. Main-Adv.

INTERMENT WILL BE AT LEXINGTON

Great Confederate

Chieftain.

Lodge and Dillingham Lead in After Distinguished Career in Confederate Army, at Close of War He Became Professor in V. M. I., and Later Was President of Washington and Lee University.

> [Special to The Times-Dispatch.] Ravensworth, Va., February 18 .-

from Washington and Lee University at Lexington on Friday morning, the exact hour not having at this time been decided upon. The body, accombeen decided upon. The body, accompanied by Robert E. Lee, the only surviving brother; Mrs. Robert E. Lee, Mrs. W. H. F. Lee and two nephews, Dr. C. Bolling Lee and Robert E. Lee, Jr., will be taken fro Ravenworth on Thursday morning at 9:15 o'clock to Lexington. All details of the funeral exercises have been left in the hands of the university authorities.

D. formerly major-general Confederate States army, and president of the Washington and Lee University, was washington and Lee University, was born at Fortress Monroe, Va. on September 16, 1832, while his father, Captain Robert Edward Lee, was on engineering duty there. His mother, Mary Custis Lee, was the daughter of George Washington Parke Custis, the adopted son of Washington, and the owner of Arlington.

Such a state of affairs, he said, is intolerable and hangs as a constant threat over the banking business of the State. The situation, he said, can be remedied only by placing a nominal tax on bank deposits. He suggested the abolition of all local taxes on deposits, making them subject only to the State tax. This, he said, would put an end to concealment and subterfuge and cure the condition of unrest which threatens the business to-day.

Mortgage Tax Reform.

President O. H. Funsten, of the Real Estate Exchange, joined the hammer brigade with an arraignment of the mortgage tax. It was a species of double taxation, he said, which has been abandoned by Massachusetts, New York and every other progressive State, and is to-day militating in Richmond against the home builder and against outside capital seeking local invest-outside for it requiring that the said before the don't states. We do

Afraid of Ignorance.

"My reason for supporting the bill," said Senator Williams, "is that I am afraid of ignorance. I am afraid of the man who strikes out blindly to overcome the wrongs he thinks exists."

Senator Stone made the first speech against the repassage of the immigration of the man who strikes out blindly to overcome the wrongs he thinks exists."

Senator Stone made the first speech against the repassage of the immigration of the hill pro-Taylor appointed him to a calctship at West Point, and he entered that

of the United States.

"Literacy is not a good test of citizenship," he declared. "The Black hand and similar organizations," he said, "were composed largely of people who could stand the literacy test.

"Who murdered Garfield, who assassinated McKinley, who committed these frightful crimes that startled our country?" demanded Senator Stone.

"Every one of them could have taken"

at West Point, and he entered that academy in June, 1850, graduating with the highest honors of his class in June, 1854.

July 1, 1854, he was appointed brevet-lieutenant in the corps of engineers. United States Army; March 3, 1855, second lieutenant, and, October 20, 1859, first lieutenant of the same corps. While in the engineer corps, he served in Georgia. Florida and California and in the engineer depart. "Every one of them could have taken this test and entered this country."

"Every one of them could have taken this test and entered this country."

"Every one of them could have taken this test and entered this country." utation as an engineer on harbor de fenses and river improvements be ington allowed him to make his home of at Arlington, and in the absence of mit themselves last light in the mitter of their initial demands, they indicated that they will ask first for the abolition of the mortgage tax, on the plan outlined by Mr. Funsten, and for the removal of the local tax on bank deposits. Details were intrusted to the demands and the question of a Democratic caucus carlier than that which has been contemplated is being considered. declining to receive the proffered gift.
Custis Lee naturally loved the old

4th of flag, and his associations in the army were strong; but the grandson of "Light-Horse Harry" and son of Rob-Meantime the committee has distri- ert Edward Lee could not hesitate in Eight-Hour Day for Women,
Washington, February 18.—An eight-hour work day for women workers throughout the country employed any industrial. August 31, 1861, he was appointed col- fare. onel and aide-de-camp to President Da-vis. In this position he rendered most messenger between the President and General R. E. Lee and performing tober 20, 1864, he was promoted ma-jor-general and commanded troops defending Richmond, north of Chaffin's

> Anxious for Active Service. General Lee was anxious, during the whole war, to be in active service in the field, but was prevented by his du

Provisional President of Mexico



GENERAL VICTORIANO HUERTA.

### SETTLE QUESTION LOOK TO HUERTA BY ARBITRATION FOR PROTECTION

men's Strike on Eastern Railroads.

Agreement Ends Danger of Fire- Matter of Amelioration of Conditions Will Be Taken Up With New President.

DECISION WILL BE BINDING AMBASSADOR'S FIRST DUTY

Submit to Terms of Erdman Act.

New York, February 18 .- There will Erdman act the controversy with the Brotherhood of Locomotive Firemen and Enginemen

The firemen had stood, to a man, for cans throughout the republic.

Political recognition of the govern this method of arbitration ever since the deadlock began; the rallroads had the travail through which sexico has stood firm for arbitration before a com-

Three men, acting under the law, will decide the firemen's claims. Their

a strike.' Mr. Lee's communication was ad-

dressed to Judge Martin A. Knapp, of last stages, the United States Commerce Court, and commissioner of labor, who have been acting as mediators in the dispute. Will have to demonstrate his ability to commissioner of labor, who have been It is as follows:

Text of the Notice.

"At the urgent request of you as representatives of the government, and under the strongest protest we are many revolutionary movements. able to voice, the managers' committee principal of these are the Orozco move-agrees to arbitrate the firemen's controversy under the Erdman act, managers also desire to give notice at this time that they shall earnestly querading s revolutionists, have sent request that the hearings in this arbi-tration be open to the public.

"As the managers have stood out to the limit against arbitration under the Erdman act, and as the govern-ment—or the public—is responsible for whatever the consequences may be, the managers reiterate their principal objections to the Erdman act were pointed out by the board of arbitration in the engineers' case:

'The responsibility which ultimately would rest upon a third member of an Erdman arbitration board was too great to impose upon any one man.
"The operation of the act is to set tle dispute rather than to adjudicate

controversy Each side is represented by one arbitrator. It rests therefore upon the two as nearly as possible together plished by splitting differences, and the case may be adjusted without adequate investigation of the facts involved, and the award may not rest upon a basis

of equity.
"But the most fundamental defect of the Erdman act is that the interests of the public are not guarded by it."
"The managers feel that the public

will not tolerate a strike, and realizing their three-fold responsibility to the public, their men and their shareholders, they only agreed to arbitra tion under the Erdman act when it seemed the only way to avert the ca lamity of a strike. The firemen's brotherhood has no responsibility ex cept to its members. For the Public to Consider.

"The question the public should se riously consider is whether, on and in thus securing temporary convenience and accommodation, they are not sacrificing their permanent wel

"The managers' committee wishes to vis. In this position he rendered most warn the public at this time of anyaluable servcie, being the confidential other and similar demand for increased wages made, by the conductors and trainmen We desire to put the public on notice as to the crisis that will confront them when these demands are considered by the railroads.

"We also desire to call attention to the serious public danger of these re-curring demands, backed up by de-peated demands that the railroads ar-bitrate 'under the law.' The whole situation is now in the

hands of the government and the peo-ple. They have taken it out of the hands of the managers at a time when (Continued on Tonth Page.)

Managers Finally Decide to Political Recognition of Government by United States Will Be Slower Proceeding.

Washintgon, February, 18 .- With the be no firemen's strike on the Eastern government of President Francisco L railroads. The railroads yielded to- Madero fallen and General Victoriano day and agreed to arbitrate under the Huerta proclaimed president of Mexi-Erdman act the controversy with the co, it devolves upon American Ambassador Henry Lane Wilson at once to treat with the de facto Mexican gov-ernment for the protection of Ameri-

passed in the last two years, will be a slower proceeding. But with many Americans dead from the bullets of the Three men, acting under the law. will decide the firemen's claims. Their decision will be binding. The decision of the roads was announced this morning in an official statement issued by Elisha Lee as chairman of the conference committee of managers.

"The managers feel," says the statement, "that the public will not tolerate ment, "that the public will not tolerate a strike."

Americans dead from the bullets of the contending forces in Mexico City, with housands rendered homeless because of the carnage which has resulted from the short range firing in the streets of the city, with the new President for amelioration of the conditions imposed upon a strike." Americans and other foreigners, especi-ally since the revolution entered its

While this government will take no W. Hanger, acting United States concern over the choice of a successor maintain stable government before po litical recognition will be accorded him by the United States, Mexico is to-day honeycombed and torn asunder by ment in the North and the Zapata uprising in the South, Lawlessness has become rife and robber bands, mas terror through the country from the Rio Grande to Yucatan.

To lay claim to political recognition from this government, the United States will demand that the new President, he General Huerta or some other must put an end to these disturbing

the workings of justice in the states. The formality of political recogni-tion, in all likelihood, will fall to the administration of President-Elect Wilson. There will hardly be time for the negotiations in the remaining few President Taft's term In the event that Ambassador Wilson's term as ambassador of the United States in Mexico's capital should close with the administration which sent him, it would first be necessary for the President of the United States to appoint his successor. This diplo-(Continued on Third Page.)

Pension Bill Soars

Washington, February 18.—The largest pension bill ever reported to Congress, carrying appropriations nggregating \$180,300,000, was passed the House late to-day by a vote

A small number of Democrats, led by Representative Roddenberry, of Georgia, made futile efforts to add amendments to har from the pension rolls veterans having incomes extitled to pensions on account of wounds or disability sustained in

bill contained a paragraph provid-ing that after July 1, 1913, no pension should be paid to a nouresi-dent not a citizen of the United States, except for actual disabili-ties incurred in the service. A mobarred by this paragraph.

## MADERO IS FORCED OUT OF PRESIDENCY; HUERTA IN CHARGE

Deposed Chief Executive of Mexico Is Arrested at National Palace by General Blanquet, While Commander of Federal Troops Is Proclaimed Provisional President.

ALL MEMBERS OF CABINET EXCEPT ONE, WHO ESCAPES, ALSO UNDER ARREST

Coup d'Etat at Palace Causes Sensation, and Exact Status of Affairs Could Not Be Ascertained for Sev. eral Hours---Direct Movement Is Result of Plot Fostered and Executed by General Blanquet--Prior to Agreement, Huerta's Attempt to Communicate-With Diaz, Leader of Rebels, Precipitates One of Sharpest Engagements of the Day.

Mexico City, February 18 .- Francisco I. Madero, arrested in the National Palace this afternoon by General Blanquet, one of his own commanders, was forced to sign his resignation from the presidency.

General Victoriano Huerta, commander of the Federal troops which have been fighting Diaz, has been proclaimed provisional President. Gustavo Madero and all the Cabinet ministers, with the exception of

Ernesto Madero, are under arrest. The Vice-President of the republic, Jose ino Suarez, still is at liberty, but in hiding. The American ambassador and the other foreign diplomats held a conference at the American embassy this evening to discuss re-establish-

ment of order and further protection of foreign residents. To-night, the Zocalo, the great plaza in front of the palace, was jammed with a delirious crowd, with banners inscribed "Peace" and 'Liberty," shouting for Diaz, Huerta, Blanquet and Mondragon.

Madeso Forced Out of Office. Mexico City, February 18 .- Francisco I. Madero has been forced out of the presidency. He was arrested at the National Palace shortly before 3 o'clock this afternoon by General Blanquet.

General Victoriano Huerta, commander of the Federal troops, was proclaimed provisional President.

About the time Madero was seized by Blanquet, his brother, Gustavo Madero, the former Minister of Finance, was arrested by General Huerta, who was dining with him in a public restaurant.

All members of the Cabinet were promptly placed under arrest with the exception of Ernesto Madero, the uncle of the President, who held the portfolio of finance. He was apprised of the intentions against the gov-

ernment and managed to make his escape. Notwithstanding the fact that some definite action was effected to-day. the coup d'etat at the palace caused a sensation, and the exact status of affairs could not be ascertained for several hours. The direct movement against Madero was the result of a plot which had been brewing since yesterday, and which possibly existed with Blanquet for a much greater length of time.

Blanquet Unwilling to Fight.

From the first it had been known that General Blanquet was unwilling o fight. His men were of the same mind. He held complete command over them, and it was not doubted that they would follow him in any adventure, as they did at the National Palace this afternoon. The forces, numbering 1,000 men, which arrived last night, were sent

reserves were sent into the field. An agreement between Generals Blanquet and Huerta was reached last night, but the first intimation that Blanquet's men had of the new role were to play was shortly before the successful stroke was made.

Blanquet drew his men up in order and delivered a stirring speech.
"This inhuman battle must end," he said. "The time has come when some drastic means must be taken to stop a conflict in which father is killing son, and brother is fighting against brother; when noncombatants are sharing the fate of war—and all this because of the caprice of one

man. Blanquet then issued orders for the arrest of the President and assigned a detachment to that duty. Madero was soon a prisoner in his own

One reason given for the attitude of General Blanquet from the heginning was the presence of his son in the ranks of Diaz.

When the arrest of the President and his ministers became known, crowds gathered in the streets through which they paraded, shouting

Vivas" for Huerta and Diaz. A conference was held between the representatives of these two generals and an agreement was reached whereby the appointment of General Huerta to the provisional presidency was proclaimed.

Precipitates Sharp Engagement. Prior to this, however, Huerta's attempt to communicate with Diaz

precipitated one of the sharpest engagements of the day. The fire from the rebel rifles and machine guns was long sustained. It as by no means certain at that time that the coup which had been carried out meant the end of hostilities. At 3:30 o'clock in the afternoon the cannonading was still heavier than before, and the ratle of machine guns was heard in various quarters. At that time San Francisco Street was

being cleared by Huerta, as if he were expecting an attack. A half hour later the order to cease firing was sounded and the battle A few loyal members of Madero's staff rushed into the room when Madero was struggling with the soldiers and went to his rescue, but ineffectually. Captain Garmedia, who had just been appointed chief of police, advanced upon Colonel Riveroll, shooting and wounding him seriously.

Immediately there was an exchange of shots, and three or four members of the President's staff are said to have been wounded. Just to make the records clear, Madero has been given reasonable time in which to write his resignation. Failure to do this, it is said, will result in his being sent with his family to Vera Cruz, where they will be given the

choice of outgoing vessels. General Delgado, who acted as the emissary of Madero in the negotiations for an armistice Sunday, has been arrested. Huerta and his supporters did not trust Delgado to come into their plan.

His Private Rooms Guarded. Twenty men of the Twenty-ninth Infantry of Blanquet's forces were intrusted with the duty of guarding the private rooms of the President at he beginning of the revolt in the palace. The arrest of Madero took place in the hall of the ambassadors. When

the President entered the room he found all the entrances guarded. One soldier, overexcited by the words of Blanquet, pointed his gun at the breast of Madero, who leaped upon him. In the struggle the gun was discharged, without injuring any one. The soldier was disarmed and placed under arrest by order of Huerta, on the charge of firing without orders.

Up to a late hour the Vice-President of the republic, Senor Jose Pino Suarez, had not been found. Detachments of troops were searching for

Irony Attends Arrest.

The finest irony attended the arest of Gustavo Madero, the brother of the President, distinguished as a politician, to whose door most of the evils of the administration have been laid. He had invited General Huerta to luncheon at the Gambieus, a popular restaurant. This was a custom with Gustavo Madero in winning favor. General Huerta, however, had invited guests unknown to his host. In a room adjoining he had stationed a detachment of Chapultepec Park guards. All were preparing to take their seats when, on a signal from Huerta, the officer in command entered. Pointing a pistol at Madero, he announced he was under arrest. At the same moment soldiers, filing into the room, cleared it of all except the principals. Gustavo loudly protested against this indignity, but General Huerta replied in a loud voice, condemning the Madero family.

General Victoriano Huerta, named as provisional President of Mexico. is the former commander of the north division of the army. He has seen much service in the campaign, and last year fought a number of engage-

Huerta retired from his command last December, and was offered a

(Continued on Third Page.)

(Continued on Second Page.)

### to New High Record Measure Carrying Appropriations Aggregating \$180,300,000 Passed by House,

which will make necessary an ad-ditional appropriation of more than

the military service.

As reported by the committee, the

was carried, 154 to 112, many Democrats joining with the solid Repub-lican minority in support of the motion. It is estimated that some-thing over \$1,000,000 is paid annually to veterans who would have been